

INDUSTRY STAKEHOLDER MEETING RECORD

INDUSTRY GROUP: Morehead City Port Committee

DATE: September 28, 2011

LOCATION: Morehead City, NC

PARTICIPANTS: Industry Stakeholders

William Baily, MC Port Pilot Jerry Eborn, MC Port Commission

Rex Edwards, NC Ports

John Ellis, ILA Local 1807 & 1847 Russell Hults, PCS Phosphate

DJ Leeuwenburg, WC Leeuwenburg Inc.

Paul Lokey, SSA Marine Michael Mayer, SSA Cooper

Andrew Midgett, MC Pilots Association Captain Donald Thomas, Moran Towing Maritime Strategy Team Eddie McFalls, AECOM Steffanie McLaughlin, Eydo

Garold Smith, Eydo

Rachel Vandenberg, AECOM

History of Morehead City Port Committee:

- Local shippers and the EDC started the committee in mid- 80's due to perceived lack of attention from NCSPA to opportunities at the Morehead City port
- Formed to build/solicit port business
- Encouraged the purchase of 150 acres on Radio Island (perception that the NCSPA was not interested in Radio Island, the State purchased and presented it to them)
- With Ports moving under DOT jurisdiction, this committee is hopeful they will be re-engaged with port decisions
- Desire a vibrant, well-utilized port

Goal: A clear, consistent vision for the ports that the public can embrace

Potential Opportunities:

- Proposal for Southside of Radio Island:
 - 1. Create a bulkhead
 - 2. Pave
 - 3. Build a warehouse
- A RO/RO ramp already exists, the military could use the new infrastructure
- Need to dredge deeper to accommodate the Navy
- Become a multi service port MC needs to be container ready
- Multiple niche opportunities available, need to be identified
- Communicate with current clients (PCS, Weyerhaueser, Newcor, Military, etc.) to ascertain their needs and keep them at MC



- Look at Short Sea Shipping (American Feeder Lines)
- Enhanced barge use a "green" alternative that keeps trucks off the roads
- Public Education inform residents about port operations
- Weyerhaueser is moving 100 containers a week from New Bern to Norfolk how can MC capture their business?
- Increased agriculture use of port facilities

Challenges:

- Communication Confidentiality maintained by prospective business opportunities and the Department of Commerce leaves the public feeling marginalized – can this process be changed?
 - Lost business due to public surprise
- Access Issues: 1. Widening Turn in Channel, 2. Draft Restriction, 3. Shoaling issues (from Hurricane Irene)
- Landside: overpasses, northern bypass
 - o Need better truck access including Hwy 70 improvements
 - o Need better rail access including targeted grade separations through town
 - Trucks to MHC port all dead-head back to origins need industry in port area to provide back haul opportunity
- Cranes need upgrade
- Gallant's Channel Bridge needs to be built with RR access
- There are 17 ports in FL, NC can certainly utilize two perception is that Wilmington is given preference in all matters
- Morehead City planning Commission is investigating re-zoning the port

Current Port Operations and Conditions:

- Majority of cargo arrives and departs via barge
- Depth is the biggest advantage at MC
- Excellent sand
- 70% of NC goods moving through Norfolk, Charleston (MC needs to capture share of market)
- Goodyear uses POMC like a Distribution Center
- Excellent labor pool all work is with cargo no containers

Global Trans Park:

- Military study is a good addition to the GTP vision
- POMC and GTP need to be more cohesive
- GTP is a good (potential) off-site distribution center

Tourism:

- Best Advertisement for the ports: ships at dock
- Tourists enjoy seeing ships this is not a deterrent to the tourism industry
- Study is identifying strategies other ports have used to co-exist with neighbors

Action Items:

- Identify cost of dredging, separate from beach nourishment, to demonstrate supplemental costs incurred to benefit of community
- Consider role of Agriculture, Military, Tourism in local economy in evaluation of port uses